



**MAYOR'S OFFICE OF HOUSING AND COMMUNITY DEVELOPMENT
CITY AND COUNTY OF SAN FRANCISCO**

REQUEST FOR PROPOSALS – Housing Development Grants

January 2017

This is a semi-annual (twice a year) RFP for program year 2016-17 for which proposals are accepted on an ongoing basis and will be reviewed according to the schedule listed in this document.

One original and three copies of the completed proposal should be submitted by
5 p.m. on March 1, 2017 to:
Mayor's Office of Housing and Community Development
1 South Van Ness Avenue, 5th Floor
San Francisco, CA 94103
Attention: Brian Cheu

HAND DELIVERY RECOMMENDED

REQUEST FOR PROPOSALS (RFP) OVERVIEW

The Mayor's Office of Housing and Community Development (MOHCD) announces that Community Development Block Grant (CDBG) funds are being made available to community-based organizations for housing rehabilitation administration, design and engineering activities.

Review Process and Schedule

Proposals will be accepted on an ongoing basis for program years 2016-2017. MOHCD will review proposals and make funding available according to the following schedule. MOHCD reserves the right to adjust the schedule at its discretion.

Proposals must be received by:	March 1, 2017
Awards will be made by:	April 3, 2017
For grants starting on:	May 1, 2017

All proposals received by 5:00 pm on the due date indicated above will be initially screened by a committee composed of MOHCD staff to determine completeness and eligibility. Ineligible proposals will be eliminated at this stage. MOHCD staff will evaluate all complete and eligible proposals and make funding decisions.

Technical Assistance Workshops

Questions on completing the application can be addressed at the technical assistance workshop that MOHCD will conduct. The technical assistance workshop will assist interested applicants in determining eligibility and completing the required elements of the proposal package. Potential applicants are highly encouraged to attend the workshop before submitting an application. The workshop is scheduled for Tuesday, January 31, 2017 from 9:00 a.m. to 10:00 a.m. at MOHCD, 1 South Van Ness Avenue, 5th Floor, Cypress Conference Room.

The meeting room is wheel chair accessible. If you need translation services, a sign language interpreter, or any other accommodations, please call 415-701-5598 at least 72 hours in advance. For speech/hearing impaired callers, please call TYY/TDD 415-701-5503. For information on MUNI routes, please call 415-673-6864.

Protest Procedures

Protest of Non-Responsiveness Determination

Within five business days of the City's issuance of a notice of non-responsiveness, any respondent that has submitted a proposal and believes that the City has incorrectly determined that its proposal is non-responsive may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth business day following the City's issuance of the notice of non-responsiveness. The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the respondent, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

Protest of Grant Award

Within five business days of the City's issuance of a notice of intent to award the grant, any firm that has submitted a responsive proposal and believes that the City has incorrectly selected another proposer for award may submit a written notice of protest. Such notice of protest must be received by the City on or before the fifth business day after the City's issuance of the notice of intent to award.

The notice of protest must include a written statement specifying in detail each and every one of the grounds asserted for the protest. The protest must be signed by an individual authorized to represent the proposer, and must cite the law, rule, local ordinance, procedure or RFP provision on which the protest is based. In addition, the protestor must specify facts and evidence sufficient for the City to determine the validity of the protest.

Delivery of Protests

All protests must be received by 5:00 p.m. of the due date. If a protest is mailed, the protestor bears the risk of non-delivery within the deadlines specified herein. Protests should be transmitted by a means that will objectively establish the date the City received the protest. Protests or notice of protests made orally (e.g., by telephone) or via e-mail will not be considered.

If the City determines that a meeting with the party submitting the appeal is necessary, such meeting will be scheduled within ten (10) calendar days of the receipt of a protest to review and attempt to resolve the protest. Protests must be delivered to:

Brian Cheu, Director of Community Development
Mayor's Office of Housing and Community Development
1 South Van Ness Ave., 5th Floor
San Francisco, CA 94103

GENERAL REQUIREMENTS

Alignment with 2015-2019 Consolidated Plan

Proposed program must achieve one of the following three overarching objectives as identified in the 2015-2019 Consolidated Plan:

- Families and individuals are stably housed;
- Communities have healthy, physical, social and business infrastructure; and,
- Families and individuals are resilient and economically self-sufficient.

For further background information, please review the 2015-2019 Consolidated Plan at <http://www.sfmohcd.org/index.aspx?page=1346>.

Eligible Applicants

Eligible applicants include:

- 501(c)(3) registered non-profit corporations, or have a fiscal sponsor with a (501)(c)(3) tax status, with proposed program based in San Francisco; The organization with 501(c)(3) tax status must be in good standing with the State of California's Registry of Charitable Trusts; and,
- Churches and religious organizations that meet the requirements of IRC section 501(c)(3), regardless of their application and recognition from the IRS.
- To receive HOME operating funds, an applicable must be certified as a CHDO (Community Housing Development Organization) by MOHCD.

All community-based organizations must become City-approved vendors before receiving funding. Organizations that are not yet City-approved vendors should begin the certification process as soon as possible in order to ensure that they are able to meet this requirement if awarded a grant. The City's Office of Contract Administration offers all of the necessary forms on their website, which can be found at <http://sfgsa.org/index.aspx?page=4762>. Subcontractors are not required to be City-approved vendors; only the lead organization or fiscal sponsor must be City-approved.

Organizational Capacity

The applicant agency must demonstrate by its history and track record that it can efficiently and effectively administer programs to achieve desired outcomes. There should be evidence of the ability to fundraise. The proposal should demonstrate a logical relationship between the organization, its mission, and the proposed project. Agencies that have been suspended or were unable to successfully complete a MOHCD program or project during the period of July 2012 through June 2015 must provide additional supportive information on enhanced ability to manage/implement projects. Funding preference is given to agencies demonstrating superior performance and the ability to leverage funds from non-City sources.

MOHCD will consider the applicant's prior performance including timely completion of previous projects supported by City funds within the agreed upon schedules and budgets, and full compliance with the terms of any previous grant/financing agreements, including the timely submittal of Monthly Project Updates, Annual Monitoring Reports and payment of residual

receipts if applicable. MOHCD will not proceed with a funding recommendation until the applicant is in compliance.

Board of Directors

The applicant agency should have a Board of Directors with a minimum of 7 members. The Board and staff must have broad based experience and skills to satisfactorily manage and guide the organization. The Board of Directors must provide vision, oversight and direction to the organization. The Board of Directors should include San Francisco residents or demonstrate knowledge of the needs of low and moderate income San Franciscans. Representation on the board of low income residents and from the target neighborhood and/or population is encouraged.

Funding Source

Housing Development Grants will be supported by Community Development Block Grant (CDBG) funds or Home Investment Partnership (HOME) funds.

Community Development Block Grant (CDBG)

CDBG activities must meet at least one of following three national objectives:

1. Principally benefit low and moderate-income persons; OR,
2. Eliminate slums and blight; OR,
3. Meet an urgent need (such as earthquake recovery).

Most, if not all, CDBG applications tend to qualify under the first objective. Under the low- and moderate-income national objective, program beneficiaries must be low- or moderate-income. CDBG regulations define a low- and moderate-income person as a member of a family that has an income equal to or less than the Section 8 low-income limit established by HUD. Unrelated individuals shall be considered as one-person families for this purpose. For more information, please review the HUD income level chart in the RFP Attachment.

HOME

The purpose of the allocation of HOME funds for CHDO Operating Assistance is to provide general operating support and to support activities that result in the development of an affordable housing project. If the CHDO does not have an existing HOME-assisted project, MOHCD expects the CHDO to apply for HOME funds to support an affordable housing project within 12 months after a contract is signed for the CHDO Operating Assistance Funds awarded out of this RFP. In addition, this funding support is intended to assist organizations that can demonstrate a need for operating support. According to the Department of Housing and Urban Development (HUD) regulations, assistance for operating expenses in each fiscal year may not exceed 50% of the CHDO's total annual operating expenses for that year.

ELIGIBLE PROJECTS AND PROGRAM OBJECTIVES/PRIORITIES

CDBG Eligible Projects and Program Objectives

CDBG Housing Development Grant (HDG) projects increase affordable housing opportunities for low and moderate-income residents by developing affordable housing through rehabilitation

or preservation. The goals for the FY 2016-2017 HDG program are to preserve and maintain the affordable housing supply through supporting housing rehabilitation administration activities related to the preservation of existing affordable rental housing. Support through CDBG funds support only rehabilitation administration costs; actual costs for construction would be funded through separate MOHCD Notices of Fund Availability as such funds are made available. Support through HOME funds can more broadly support general operating costs as described above as related to an existing HOME-funded project. Proposed projects need to be either currently funded for rehabilitation/preservation work through MOHCD, show a current application under review in response to an MOHCD NOFA, or have previously been funded by MOHCD and have adequate reserves to fund the proposed scope of work.

Preference will be given to rehabilitation or preservation work that can be completed within 3 years. Projects that have appeared on previous work programs for more than 2 years without demonstrated significant progress toward completion will be closely scrutinized for eligibility.

CDBG Project Design

Projects must demonstrate the following:

- Projects should have milestones that are meaningful and measurable;
- The work plan should reflect feasible outcomes that can accomplish the project objectives;
- Adequate staff to carry out the project and to work with MOHCD staff in ensuring that all provisions in the grant agreement are met;
- Leverage non-CDBG funds to the extent possible;
- Satisfaction of prior work plan; and
- Affordable housing development organizations that are applying for funds to rehabilitate properties for future use as affordable housing must submit a *separate* application for each project/address in your overall work plan (i.e. if an organization plans to work on and receive funding for four rehab projects in during the grant year, there will need to be four (one for each project) applications submitted).

Program Dates

The City Charter requires that all grant agreements and contracts be executed and encumbered before services are rendered. Projects will begin on the grant start date and will be funded on a 12-month basis.

Indirect Costs for Federal Funds (CDBG, HOME)

Grantees with a federally-approved indirect cost rate should submit documentation of the approved rate to MOHCD.

For grantees without a federally-approved indirect cost rate, the maximum allowed indirect cost rate for Federal Funds (CDBG, ESG) is 10% of Modified Total Direct Costs (MTDC). MTDC excludes:

1. Equipment
2. Rent
3. Capital expenditures
4. Charges for patient care
5. Tuition reimbursement

6. Scholarships and fellowships
7. Participant support costs -- direct costs for items such as stipends or subsistence allowances, travel allowances, and registration fees paid to or on behalf of participants or trainees (but not employees) in connection with conferences, or training projects
8. Sub-award (or subcontract to other nonprofits) amounts in excess of \$25,000

Note: Not all of these costs are eligible under the HDG program guidelines.

The first two items (Equipment and Rent) on the spreadsheet are separate line items in the GMS budget, while 3-8 will be included within line items such as Other, Travel or Contractual Services.

To calculate the MTDC, the excluded costs will be subtracted from the total direct costs, and then 10% of that modified amount will be allowed for indirect costs. MOHCD provides a spreadsheet tool, the MTDC Calculator, for calculating your allowable indirect cost based on MTDC.

Fund Restrictions

Funds for this program are to be used only for eligible rehabilitation administration and design and engineering costs: e.g. architect, design, and engineering costs, certain legal fees, certain relocation-related expenses, etc. Hard construction costs are not eligible. Asset management costs are also ineligible. Other ineligible uses include stipends, food and beverage, advertising not associated with personnel recruitment, and entertainment expenses. Travel expenses should be for travel within the City of San Francisco. Other travel expenses will only be approved at the discretion of the MOHCD staff.

Tenure Period

Projects funded through CDBG will be required to maintain eligibility over the period as determined by the underlying MOHCD loan documents that support the full rehabilitation work.

Awards

Award amounts will be based on the proposed budget and must be supported by the budget detail. The total grant award for any one agency will not exceed \$150,000 in combined CDBG and HOME funds. In no case will HOME funds to any one agency exceed \$50,000.

COMPLIANCE WITH OTHER LAWS AND REGULATIONS

Environmental Review

Disbursement of federal funds under this RFP will be subject to requirements for federal environmental review under the National Environmental Policy Act (NEPA). Additionally, depending on project specifics, proposed developments may be affected by review under federal "Section 106" historic resources preservation review, and/or Department of City Planning or Redevelopment Area Plan guidelines.

Relocation Requirements

Applicants under this RFP are subject to the provisions of the federal Uniform Relocation Act (URA). Applicants should be prepared to notify all existing tenants of buildings being proposed for rehabilitation of the potential for their being displaced by the rehabilitation and their rights to relocation assistance. Funding requests, which would result in any type of relocation, temporary or permanent, must be accompanied by a relocation plan acceptable to MOHCD.

Accessibility Requirements

Applicants will be responsible for meeting all applicable accessibility standards under Section 504 of the Rehabilitation Act of 1973, the Architectural Barriers Act, the Americans with Disabilities Act, and State and City codes, statutes, policies, and regulations. Applicants for housing facility support should to the greatest extent possible attempt to make as many units undergoing rehabilitation with City funds adaptable.

Additionally, depending on the funding source, an architect's certification may be required at the completion of project design and construction which certifies that all improvements made are in accordance with local, state, and federal laws and regulations with respect to access for persons with disabilities.

Federal Requirements for Outreach to Minority and Women Business Enterprises (MBE/WBE)

Applicants that receive CDBG funding will be required to conduct good faith efforts to outreach to MBEs and WBEs for contracting opportunities, in accordance with HUD outreach guidelines.

HUD Section 3 Program

HUD requires that when HUD financial assistance generates opportunities for contracting or employment, these opportunities must, to the greatest extent feasible, be provided to low-income persons and to businesses owned by or employing low-income persons. Applicants that receive CDBG funding will be required to conduct good faith efforts to outreach to certified Section 3 businesses and residents for contracting, subcontracting and employment opportunities, in accordance with HUD outreach guidelines. This requirement applies for contracts in excess of \$100,000.

MOHCD's Small Business Enterprise (SBE) Program

MOHCD's Small Business Enterprise (SBE) program promotes the participation of certified small businesses in federally-funded contracts by offering certain benefits that make their bids/proposals/qualifications more competitive than those submitted by larger businesses. Applicants that receive CDBG or HOPWA funds will be required to give preference to certified small businesses for contracting and subcontracting opportunities. The SBE program is required for professional services and general services contracts valued at and above \$110,000.

Other Requirements for Housing Construction/Rehabilitation

There are other federal, state and local requirements for the actual construction/rehabilitation activities, which are not eligible under this RFP. These requirements include the City's First Source Hiring Program, federal goals for female and minority participation, and federal and state labor standards.

RFP ATTACHMENT

FY 2016 HUD Income Level Chart

Family of:	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons
Extremely Low Income	\$0 – 25,850	\$0 – 29,550	\$0 – 33,250	\$0 – 36,900	\$0 – 39,900	\$0 – 42,850	\$0 – 45,800	\$0 – 48,750
Low Income	\$25,851-43,050	\$29,551 - 49,200	\$33,251 - 55,350	\$36,901 - 61,500	\$39,901 - 66,450	\$42,851 - 71,350	\$45,801 - 76,300	\$48,751 - 81,200
Moderate Income	\$43,051-68,950	\$49,201 - 78,800	\$55,351 - 88,650	\$61,501 - 98,500	\$66,451 - 106,400	\$71,351 - 114,300	\$76,301 - 122,150	\$81,201 - 130,050
Above Moderate Income	\$68,951 or greater	\$78,801 or greater	\$88,651 or greater	\$98,501 or greater	\$106,401 or greater	\$114,301 or greater	\$122,151 or greater	\$130,051 or greater

If family is more than 8 people, for each person in excess of eight, 8 percent of the four-person base should be added to the eight-person income limit. (For example, the nine-person limit equals 140 percent [132 + 8] of the relevant four-person income limit.) Round income limits to the nearest \$50.

Map of MOHCD-Defined San Francisco Neighborhoods

